

For Immediate Release Contact: Dean Kinney Sturgis Motorcycle Rally, Inc. Chairperson 1612 Junction Ave Sturgis, SD 57785

## Settlement Reached in "Sturgis Rally Week" Infringement Case Mortimer to pay SMRi \$325,000

STURGIS, S.D. – Sturgis Motorcycle Rally, Inc. ("SMRi") has reached a settlement in its trademark infringement litigation against Kent Mortimer and his companies, which arose out of misuse of SMRi's STURGIS trademarks.

"After months of negotiations, two mediations, and over two years of litigation in federal court, we are pleased to settle this case," Dean Kinney, chairperson of SMRi, said. "We are looking forward to focusing more of SMRi's efforts and resources on growing the Rally and bettering the Sturgis community."

SMRi filed its suit against Kent Mortimer and his company, Mortimer Enterprises, in 2014 after discovering Mortimer, through his former business Renegade Classics, was selling, to retail stores in Georgia and elsewhere, unauthorized apparel

bearing the term "Sturgis Rally Week," which infringes SMRi's rights in its Sturgis Bike Week®, Sturgis® Motorcycle Rally<sup>TM</sup> and Sturgis® trademarks.

Jason Sneed, of SNEED PLLC, counsel for SMRi, explained, "Mortimer's use of 'Sturgis Rally Week' without the permission of SMRi creates confusion in the marketplace and harms the Rally and law-abiding licensees and vendors. Our goal in enforcing SMRi's rights is to prevent confusion in the marketplace, to ensure SMRi's rights are protected and to promote growth for the Rally itself."

The settlement agreement provides that Mortimer and his companies will pay \$325,000 to SMRi and that they no longer will manufacture, sell, distribute or advertise goods or services using any of SMRi's trademarks. Mortimer, previously a vocal opponent of SMRi and its trademark rights, and his companies also agreed:

- To acknowledge the validity of SMRi's STURGIS trademarks;
- To destroy his remaining inventory of infringing goods;
- Not to participate in the protest organization Concerned Citizens for Sturgis, Inc.; and
- Not to disparage SMRi or its officers or directors.

"We feel the terms of the settlement agreement are fair and equitable to all parties based on the nature of the infringement," Mr. Sneed said. "SMRi's board members approved the settlement and the case should be dismissed soon."

SMRi is a South Dakota not-for-profit organization with no shareholders or owners and operated by a volunteer board. Its primary responsibilities include promotion, growth and strengthening of the Sturgis Motorcycle Rally, and providing a charitable return to the Sturgis community.



Mr. Kinney said, "Earlier this month, Sturgis Rally Charities provided \$70,000 in grant money to local charitable organizations, largely out of donations received from SMRi and the City of Sturgis as a result of the 76<sup>th</sup> Sturgis Motorcycle Rally®."

For more information about SMRi, please visit <u>www.sturgismcrallyinc.com</u>. More information about the Rally can be found at <u>www.sturgismotorcyclerally.com</u>.